



paradox
INTERACTIVE®

INTERIM REPORT

JANUARY - MARCH 2026

*Please note that this is a translation for information purposes only – in case of any discrepancies between this version and the Swedish, the Swedish version shall prevail.



INTERIM REPORT

JANUARY – MARCH 2026

FIRST QUARTER

- Revenues amounted to MSEK 431.1 (MSEK 463.6), a decrease of 7% compared to the same period last year.
- Operating profit amounted to MSEK 100.8 (MSEK 146.6), a decrease of 31%.
- Profit after financial items amounted to MSEK 105.8 (MSEK 153.9), and profit after tax amounted to MSEK 86.2 (MSEK 123.7).
- Cash flow from operating activities amounted to MSEK 308.7 (MSEK 266.2), and cash flow from investing activities amounted to MSEK -122.4 (MSEK -217.3).
- At the end of the period, cash and cash equivalents amounted to MSEK 1,554.6 (MSEK 1,501.5).
- Earnings per share before dilution amounted to SEK 0.82 (SEK 1.17) and after dilution to SEK 0.82 (SEK 1.17).
- Revenues for the quarter are primarily attributable to Age of Wonders 4, Cities: Skylines, Cities: Skylines II, Crusader Kings III, Europa Universalis V, Hearts of Iron IV, Stellaris, Vampire: The Masquerade – Bloodlines 2, and Victoria 3.

SIGNIFICANT EVENTS FIRST QUARTER

- New downloadable content was released for games during the period: Rise from Ruin to Age of Wonders 4, Office Evolution and City Stations to Cities: Skylines II, Race Day, Iconic Brutalism and Renewed History to Cities: Skylines, and Warships of the Pacific to Hearts of Iron IV.
- The Board of Directors of Paradox Interactive AB has applied for admission to trading of the Company's shares on Nasdaq Stockholm Main Market. A listing on Nasdaq Stockholm is subject to the exchange's approval of the Company's application. If the application is approved, the Company intends to complete the change of listing during 2026. Paradox will provide further information once Nasdaq Stockholm has announced its decision.



COMMENTS BY THE CEO

After one of our most intense quarters ever at the end of last year, we entered 2026 with a more balanced first quarter, as is tradition. The results are stable, with a strong cash flow from operating activities that provides us with space to invest in our future.

What truly matters right now is happening beneath the surface. A clear example is the work on Cities: Skylines II, where Iceflake Studios, since the turn of the year, has delivered a series of improvements based on player feedback. It's starting to have an effect. During the quarter, the game reached "Mostly Positive" in the last 30 days of reviews for the first time, an important milestone. It's also proof of our conviction: a long-term approach, close dialogue with players, and structured improvement efforts pay off. We are far from finished, but the direction is right, and we have strong confidence in the plan ahead.

Looking beyond the individual quarter, our ambition remains unchanged and clearer than ever. We build games that last. Deep, challenging experiences that players shape themselves and return to year after year. To get there, we continue to develop our existing titles while building a strong and focused pipeline of new games.

The core of our business remains our ability to establish games that can grow over time. Our work with downloadable content is crucial here. We have raised our level of ambition and are entering the year with a strong lineup. The Expansion Passes launched this spring are just the beginning. At the same time, we are broadening how players can engage with our catalog: through subscription models, increased focus on user-generated content, and better use of our player services. Together, this creates more value for players and strengthens our growth over time.

Today, we have seven established franchises with strong communities and recurring revenue. That's a solid foundation but not our end goal. Our portfolio of games in development is fully focused on what we do best: strategy and management games. Projects range from early concept to late-stage development, but regardless of where they are, our standards are

high. We look forward to sharing more about this during the year.

At the same time, we clearly see that we have the capacity to do more. We continue to actively evaluate how we can expand our project portfolio to create a steady and strong flow of new games over time. In-house development remains our core, but we also see opportunities in third-party collaborations and acquisitions. Regardless of the path, the goal is the same: to create worlds where players can tell their own stories, on their own terms.

What we do is a long-term game. We build for endurance, for trust, and for sustainable growth. With strong communities, a growing portfolio, and a clear direction, we are well positioned to continue delivering not just next quarter, but for many years to come.

Fredrik Wester, CEO





PARADOX INTERACTIVE AT A GLANCE

Paradox Interactive is a leading developer and publisher of strategy and management games for PC and consoles. The company's games reach six million players every month worldwide, with its largest markets in North America, Western Europe and Asia.

The portfolio includes popular game franchises and intellectual properties such as Age of Wonders, Cities: Skylines, Crusader Kings, Europa Universalis, Hearts of Iron, Prison Architect, Stellaris, the Surviving games and Victoria. Paradox Interactive also owns the intellectual property rights to the World of Darkness universe.

Paradox strives for a healthy profit margin, a stable operating cash flow and strong growth. Thus, enabling stable operations and continuous investments in the company's future.

6

Million MAU

8

Games in pipeline

6%

R12 profit margin

Rolling 12-month revenues and operating profit



Rolling 12 months operating cashflow



RELEASES IN THE PERIOD



AGE OF WONDERS 4: RISE FROM RUIN

Release date: 9 March 2026

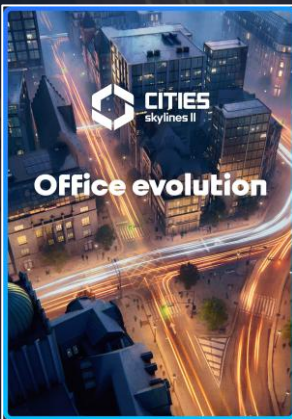
Platforms: PC, Xbox Series X|S, PlayStation 5

Price: USD 19.99

Description: Forge a mighty realm from the ashes. Journey into the Withered Worlds and explore their devastated landscapes with the Nomad Culture, uniquely adapted to survive and thrive in desolation. Unearth the lost magics that ravaged these realms and choose to either banish them forever or harness their power for your own ascendancy.

Publisher: Paradox Interactive

Developer: Triumph Studios



CITIES: SKYLINES II – CREATOR PACK: OFFICE EVOLUTION

Release date: 18 March 2026

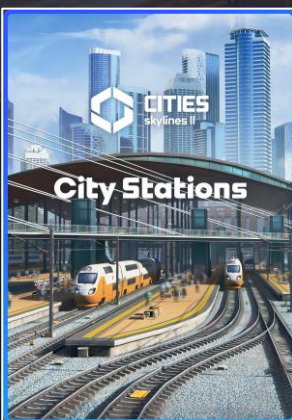
Platforms: PC

Price: USD 7.99

Description: Witness the merging of tradition and modernity. This pack captures the architectural journey from classic heritage façades to sleek, contemporary office spaces. Evolving from stone-clad offices of the 19th century into the glass-and-steel structures of the 21st, it preserves your office district's historic character while embracing modern ambition.

Publisher: Paradox Interactive

Developer: Titan



CITIES: SKYLINES II – CREATOR PACK: CITY STATIONS

Release date: 18 March 2026

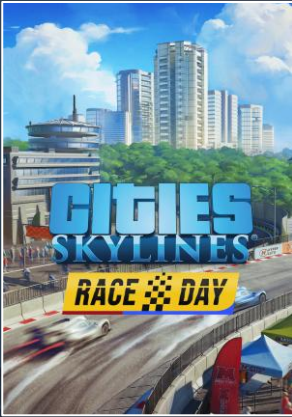
Platforms: PC

Price: USD 7.99

Description: Make your city feel connected. This pack expands the variety of transit infrastructure available for your metropolis. Featuring a selection of stations for your Bus, Train, Tram, and Subway networks, the pack introduces new landmarks for your citizens and lays the foundation for a transport system that is both efficient and beautiful.

Publisher: Paradox Interactive

Developer: BadPeanut



CITIES: SKYLINES – RACE DAY

Release date: 10 March 2026

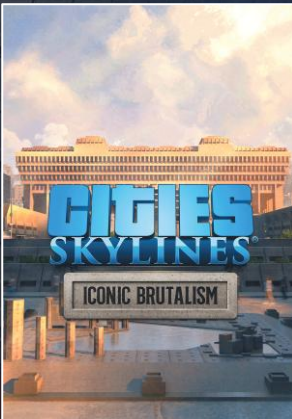
Platforms: PC, Xbox Series X|S, Xbox One, PlayStation 5, PlayStation 4

Price: USD 12.99

Description: Transform your streets into high-octane race courses, host thrilling running and cycling events, and dazzle crowds with massive parades. Whether you're drawing in tourists or entertaining your citizens, this expansion lets you create jaw-dropping spectacles and adds dynamic city-planning features that kick your city into overdrive.

Publisher: Paradox Interactive

Developer: Tantalus Media



CITIES: SKYLINES – CREATOR PACK: ICONIC BRUTALISM

Release date: 10 March 2026

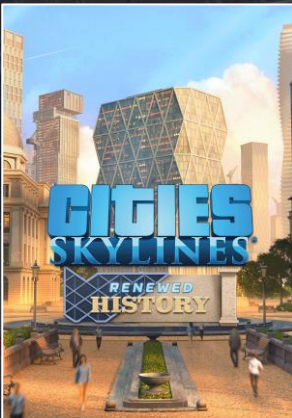
Platforms: PC, Xbox Series X|S, Xbox One, PlayStation 5, PlayStation 4

Price: USD 5.99

Description: Embrace raw concrete and unapologetic design. This Content Creator Pack celebrates the iconic architectural movement defined by geometric forms, functional design, and monumental presence. With a focus on civic structures, these buildings give your city an austere, modern edge with a timeless sense of strength.

Publisher: Paradox Interactive

Developer: Cristolisto



CITIES: SKYLINES – CREATOR PACK: RENEWED HISTORY

Release date: 10 March 2026

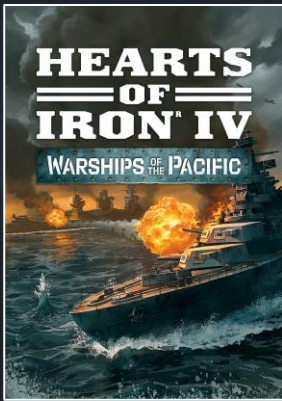
Platforms: PC, Xbox Series X|S, Xbox One, PlayStation 5, PlayStation 4

Price: USD 5.99

Description: Transform your skyline with “Renewed History”, a Content Creator Pack inspired by modern architecture that balances history and progress. Mesh tradition with function through buildings clad in steel, glass, and concrete. This pack explores the contrast between old and new, with structures that complement traditional architecture. Create neighbourhoods where modern development and historical preservation coexist beautifully.

Publisher: Paradox Interactive

Developer: Brum



HEARTS OF IRON IV: WARSHIPS OF THE PACIFIC

Release date: 17 March 2026

Platforms: PC

Price: USD 4.99

Description: Command the seas with Warships of the Pacific, a Cosmetic Pack for Hearts of Iron IV. Warships of the Pacific includes unit art for new seafaring vessels; from nimble destroyers to mighty battleships, representing iconic warships from multiple nations across the globe.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



FINANCIAL OVERVIEW

REVENUE AND PROFIT FIRST QUARTER

Revenues amounted to MSEK 431.1 (MSEK 463.6), a decrease of 7% since last year. Revenues for the quarter are primarily attributable to Age of Wonders 4, Cities: Skylines, Cities: Skylines II, Crusader Kings III, Europa Universalis V, Hearts of Iron IV, Stellaris, Vampire: The Masquerade - Bloodlines 2 and Victoria 3.

The change in revenue is strongly correlated with variation in the releases that occur. The comparative period included the release of a smaller expansion, Graveyard of Empires for Hearts of Iron IV, as well as the launch of new expansion passes for Crusader Kings III and Stellaris, which indirectly contributed to increased sales of the respective base games and previously released downloadable content, even though the expansion passes were not released during the quarter. The comparative period's releases of Mediterranean Heritage and Dragon Gate for Cities: Skylines II also generated significant revenue, as they were included in the original Ultimate Edition package from the base game's launch.

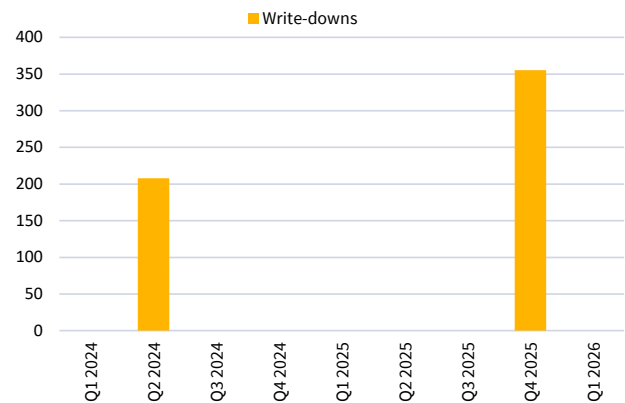
Revenue increases compared to the previous year are attributable to the releases of the new games Europa Universalis V and Vampire: The Masquerade - Bloodlines 2, which were launched in the fourth quarter of 2025. The quarter's release of Rise from Ruin for Age of Wonders 4 has been the single largest revenue driver compared to the previous year in terms of new downloadable content releases.

The Group's revenue is mainly in currencies other than SEK and is therefore exposed to exchange rate fluctuations. The quarter's revenue has been negatively affected by the exchange rate development of the strengthened krona compared to last year.

Cost of goods sold amounted to MSEK 264.4 (MSEK 220.9), attributable to game development, development support, operation and maintenance of games, costs for licenses, trademarks and similar rights, as well as royalties and revenue-based contingent consideration to development studios and other rights holders.

Amortisation of released games amounts to MSEK 120.1 (MSEK 71.7). The games are generally amortised over 18 months using a degressive depreciation method. The purpose of the amortisation is to provide a fair view of the company's operations and gross profit but may contribute to volatility in the cost of goods sold item. The increase compared to last year is driven by amortisation of the games Vampire: The Masquerade - Bloodlines 2 and Europa Universalis V which were released during the fourth quarter 2025. Amortisation of the game Surviving Mars: Relaunched that was released in November 2025 also contributes to the increase.

Write-downs recognised in cost of goods sold for the period amount to MSEK 0.0 (MSEK 0.0).



Amortisation of licenses, trademarks and similar rights amounts to MSEK 7.6 (MSEK 15.6). Amortisation has decreased as a result of excess values arising from the acquisition of Playrion Games Studio now being fully amortised. At the same time, the decrease is offset by new amortisations related to the acquired publishing rights for Stranded: Alien Dawn, as well as amortisations of excess values from the acquisition of Haemimont Games.

In addition to depreciation, amortisation and write-downs within the item, a total of MSEK 129.6 (MSEK 125.8) was expensed regarding non-capitalised development costs, development support, operation and maintenance of games, royalties and revenue based earn-outs.



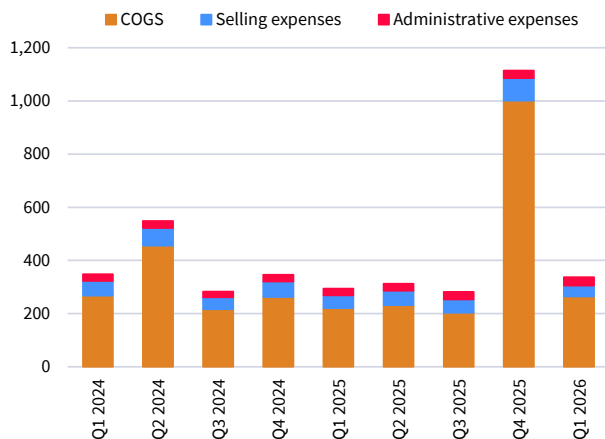
Non-capitalised development costs amount to MSEK 71.6 (MSEK 75.0). These costs relate to the development expenses treated as running costs since they do not meet the Group requirements for capitalisation. This includes costs generated in the early stages of a project and other expenses that are not directly attributable to specific development projects suited for capitalisation or not perceived to generate future economic benefits.

Costs for development support, operations, and maintenance of games amounted to MSEK 24.4 (MSEK 21.8). This item primarily refers to internal costs for technical support and platform functions related to the development, launch, and management of the Group's game portfolio.

Royalties and revenue-based contingent consideration have amounted to MSEK 33.6 (MSEK 28.9) mainly driven by Age of Wonders 4, where the sellers of Triumph Studios receive revenue-based contingent consideration until April 2026.

Selling expenses for the period amounted to MSEK 41.3 (MSEK 47.9). The decrease is a result of reduced costs related to the release of Europa Universalis V, for which the selling activities started in the beginning of 2025.

Administrative expenses for the period amounted to MSEK 31.1 (MSEK 25.4). The increase compared to the previous year mainly relates to items of a non-recurring nature. Administrative expenses are generally unchanged over time and are relatively unaffected by other operations.



Other operating income amounted to MSEK 6.8 (MSEK 2.6) and other operating expenses to MSEK 0.3 (MSEK

25.3). Other operating income and other operating expenses consist primarily of currency rate changes on the Group's cash and cash equivalents, operating receivables and operating liabilities during the quarter.

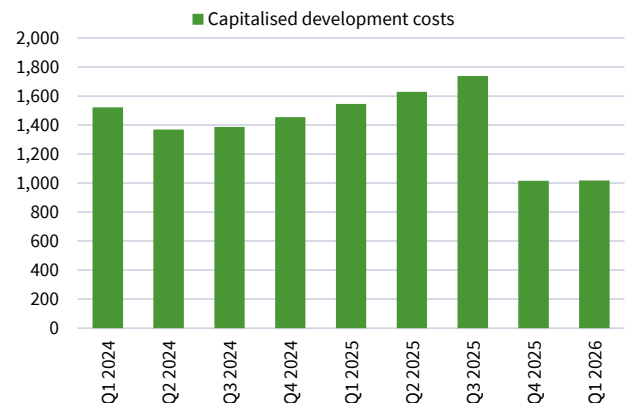
Operating profit amounted to MSEK 100.8 (MSEK 146.6).

Financial income amounted to MSEK 5.1 (MSEK 7.6) and consisted primarily of interest income from bank accounts. Financial expenses amounted to MSEK 0.2 (MSEK 0.3) and consisted primarily of calculated interest on lease liabilities.

Profit after financial items amounted to MSEK 105.8 (MSEK 153.9), and profit after tax amounted to MSEK 86.2 (MSEK 123.7).

FINANCIAL POSITION

Capitalised development expenses at the end of the period amounted to MSEK 1,016.4 (MSEK 1,545.6). This item relates both to games that have not yet been completed and games that have been released and amortised. The decrease compared to the previous year is attributable to Vampire: The Masquerade – Bloodlines 2, which was released in October 2025 and, following amortisation and write-downs, has a carrying amount that reflects the Group's expected earnings from the game. Europa Universalis V, which was released in November 2025, also accounts for a significant part of the decrease. At the same time, capitalised development costs remain for, among others, the announced game Prison Architect 2. Development is also ongoing for several unannounced games that are continuously capitalised, as well as expansions for previously released games.



Licenses, trademarks, and similar rights amounted to MSEK 98.7 (MSEK 94.6). The item mainly relates to the



acquired publishing rights to Stranded: Alien Dawn, as well as excess values from the acquisition of Haemimont Games.

Goodwill amounted to MSEK 22.0 (MSEK 21.8), attributable to the acquisition of Iceflake Studios.

Right-of-use assets for rental premises amounted to MSEK 162.4 (MSEK 59.8). The increase refers to the renewed lease agreement for the office on Södermalm, Stockholm.

Accounts receivable at the end of the period amounted to MSEK 259.4 (MSEK 236.7).

Cash and cash equivalents at the end of the period amounted to MSEK 1,554.6 (MSEK 1,501.5).

Equity amounts to MSEK 2,591.1 (MSEK 3,023.3).

Long-term lease liabilities amount to MSEK 130.5 (MSEK 23.8). The increase is due to an extension of the lease agreement commitment for the office premises in Södermalm, Stockholm, through the end of September 2031, replacing the current lease agreement from October 1, 2026.

Deferred tax liabilities amounted to MSEK 153.2 (MSEK 170.2) relating to tax on untaxed reserves and intangible assets from acquisitions.

Short-term lease liabilities amounted to MSEK 25.0 (MSEK 30.8), relating to short-term rental commitments for office premises.

Accrued expenses and prepaid income at the end of the period amounted to MSEK 269.2 (MSEK 280.2). Accruals for royalties payable to game developers, as well as accruals for variable remuneration to employees, have decreased compared with the previous year. Prepaid income has increased since last year, mainly due to the release of Europa Universalis V.

CASH FLOW FIRST QUARTER

Cash flow from operating activities for the period amounted to MSEK 308.7 (MSEK 266.2), primarily attributable to operating profit adjusted for depreciations, amortisations and write-downs. Cash flow from investing activities amounted to MSEK -122.4 (MSEK -217.3) and mainly relates to investments in game development. Cash flow from financing activities

amounted to MSEK -9.8 (MSEK -9.7) relating to amortisation of lease liabilities for office premises.

RELATED PARTY TRANSACTIONS

No significant transactions have taken place between the group and related parties that have affected the group's position and results.

PARENT COMPANY FIRST QUARTER

The parent company houses the publishing business. Within the publishing business, the parent company buys development services from both external and wholly owned development studios and pays royalties to these where applicable. The parent company also provides administrative services to the subsidiaries. All in all, this leads to the parent company's revenues to a large extent making up the group's total revenues.

The parent company's revenues in the quarter amounted to MSEK 431.6 (MSEK 461.3). Operating profit amounted to MSEK 113.0 (MSEK 214.1). Profit after financial items amounted to MSEK 118.0 (MSEK 220.1). Profit after tax amounted to MSEK 98.9 (MSEK 174.8).

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting as well as RFR 1 and the annual accounts act. The parent company applies the Swedish Financial Reporting Board's recommendation RFR 2, accounting for legal entities. The carrying amount of the Group's short-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the discounting effect is not significant. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report.

RISKS AND UNCERTAINTIES

Paradox is, like most companies, exposed to certain risks in its operations. The risks and uncertainties are described in the Annual Report for 2025, page 30. Risks to be specifically mentioned include dependency on key employees, dependency on a few sales partners, delays of game projects, cancellations of unfinished game projects, low revenues from game releases, and foreign currency. These risks and uncertainties may



have a direct or indirect impact on the group's financial position and results.

DIVIDEND PROPOSAL

The Board proposes a dividend to shareholders of SEK 5.00 per share. The Board of Directors proposes Friday, May 15, 2026 as record date. If the Annual General Meeting approves the proposal, the dividend will be distributed by Euroclear Sweden AB on Wednesday May 20, 2026.

DIVIDEND POLICY

The Company's primary objective is to create long-term shareholder value. Shareholder distribution will be determined annually based on capital available after funding organic growth initiatives, potential acquisitions and maintaining a prudent capital structure. Distributions may be made through cash dividends and/or share repurchase programs.



FINANCIAL CALENDAR

Annual General Meeting 2026	2026-05-12
Interim Report January - June 2026	2026-08-06
Interim Report January - September 2026	2026-10-29
Year-end report 2026	2027-02-04

CONTACT

Additional information about the company can be found on the corporate website

www.paradoxinteractive.com. The company can be contacted by e-mail, ir@paradoxinteractive.com, or by post Paradox Interactive AB, Magnus Ladulåsgatan 4, 118 66, Stockholm, Sweden.

ASSURANCE BY THE BOARD OF DIRECTORS

The Board of Directors hereby provides an assurance that the interim report provides a true and fair view of the parent company's and the group's business, positions, and earnings, and describes the significant risks and uncertainties faced by the companies making up the group.

Stockholm 30 April 2026

The Board of Directors

This report has not been subject to review by the company's auditors.

This information is information that Paradox Interactive AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 08:00 CEST on 30 April 2026.



KEY FIGURES FOR THE GROUP

	2026-01-01	2025-01-01	2025-01-01
	2026-03-31	2025-03-31	2025-12-31
Revenues, KSEK	431,125	463,599	2,191,918
Operating profit, KSEK	100,768	146,643	145,999
Profit after financial items, KSEK	105,751	153,889	167,397
Profit after tax, KSEK	86,177	123,680	125,456
Operating margin	23%	32%	7%
Profit margin	25%	33%	8%
Equity/assets ratio	80%	83%	79%
Equity per share before dilution, SEK	24.53	28.62	23.65
Equity per share after dilution, SEK	24.53	28.62	23.65
Earnings per share before dilution, SEK	0.82	1.17	1.19
Earnings per share after dilution, SEK	0.82	1.17	1.18
Number of shares by the end of the period before dilution	105,623,025	105,623,025	105,623,025
Number of shares by the end of the period after dilution	105,623,025	105,623,025	105,623,025
Average number of shares before dilution	105,623,025	105,623,025	105,623,025
Average number of shares after dilution	105,623,025	106,014,675	105,720,938
Average number of employees	681	596	638

For definitions of key figures, see the annual report.



GROUP INCOME STATEMENT (KSEK)

	Note	2026-01-01 2026-03-31	2025-01-01 2025-03-31	2025-01-01 2025-12-31
Revenues	1	431,125	463,599	2,191,918
Cost of goods sold	2	-264,436	-220,871	-1,656,913
Gross profit		166,690	242,728	535,005
Selling expenses	2	-41,265	-47,924	-236,076
Administrative expenses	2	-31,106	-25,438	-110,632
Other income		6,753	2,576	9,253
Other expenses		-302	-25,300	-51,551
Operating profit		100,768	146,643	145,999
Financial income		5,138	7,595	23,469
Financial expense		-156	-349	-2,072
Profit after financial items		105,751	153,889	167,397
Tax		-19,574	-30,209	-41,940
Profit for the period		86,177	123,680	125,456

Profit for the period is attributable to the shareholders of the parent company.

Earnings per share before dilution, SEK	0.82	1.17	1.19
Earnings per share after dilution, SEK	0.82	1.17	1.18

OTHER COMPREHENSIVE INCOME (KSEK)

	2026-01-01 2026-03-31	2025-01-01 2025-03-31	2025-01-01 2025-12-31
Profit for the period	86,177	123,680	125,456
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Translation differences	3,939	-13,186	-17,016
Other comprehensive income	3,939	-13,186	-17,016
Total comprehensive income for the period	90,115	110,495	108,440

Profit for the period is attributable to the shareholders of the parent company.



GROUP BALANCE SHEET (KSEK)

	2026-03-31	2025-03-31	2025-12-31
ASSETS			
Non-current assets			
Capitalised development	1,016,472	1,545,558	1,015,110
Licenses, brands and similar rights	98,718	94,563	105,792
Goodwill	22,042	21,853	21,790
Property and equipment	9,240	7,416	8,410
Right-of-use assets	162,365	59,782	171,591
Other long term assets	18,673	18,662	18,658
Total non-current assets	1,327,509	1,747,833	1,341,352
Current assets			
Accounts receivable	259,411	236,728	271,185
Tax assets	17,835	29,018	91,397
Other receivables	27,302	29,660	27,143
Prepaid expenses and accrued revenue	61,044	78,106	63,272
Cash and cash equivalents	1,554,598	1,501,532	1,375,272
Total current assets	1,920,190	1,875,045	1,828,268
TOTAL ASSETS	3,247,699	3,622,878	3,169,621
EQUITY AND LIABILITIES			
Equity			
Share capital	528	528	528
Other capital contributed	29,748	29,748	29,748
Reserves	19,117	19,008	15,178
Retained earnings	2,541,662	2,973,990	2,452,868
Total equity	2,591,056	3,023,275	2,498,322
Long-term liabilities			
Lease liabilities	130,512	23,774	137,403
Deferred tax liabilities	153,190	170,165	153,586
Total long-term liabilities	283,702	193,939	290,989
Current liabilities			
Accounts payable	51,267	38,505	41,161
Current tax liabilities	1,899	18,279	782
Lease liabilities	25,021	30,803	27,833
Other liabilities	25,517	37,867	32,171
Accrued expenses and prepaid revenues	269,238	280,211	278,362
Total current liabilities	372,941	405,664	380,309
TOTAL EQUITY AND LIABILITIES	3,247,699	3,622,878	3,169,621



CHANGE IN GROUP EQUITY (KSEK)

	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
At the beginning of the period 2026-01-01	528	29,748	15,178	2,452,868	2,498,322
Profit for the period				86,177	86,177
Other comprehensive income					
Translation difference			3,939		3,939
Total other comprehensive income	-	-	3,939	-	3,939
Total comprehensive income	-	-	3,939	86,177	90,115
Transactions with owners					
Share-based payments staff	-	-	-	2,618	2,618
Total transactions with owners	-	-	-	2,618	2,618
AT THE END OF THE PERIOD 2026-03-31	528	29,748	19,117	2,541,662	2,591,056

	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
At the beginning of the period 2025-01-01	528	29,748	32,194	2,847,170	2,909,640
Profit for the period				123,680	123,680
Other comprehensive income					
Translation difference			-13,186		-13,186
Total other comprehensive income	-	-	-13,186	-	-13,186
Total comprehensive income	-	-	-13,186	123,680	110,494
Transactions with owners					
Share-based payments staff	-	-	-	3,140	3,140
Total transactions with owners	-	-	-	3,140	3,140
AT THE END OF THE PERIOD 2025-03-31	528	29,748	19,008	2,973,990	3,023,275



GROUP CASH FLOW STATEMENT (KSEK)

	2026-01-01 2026-03-31	2025-01-01 2025-03-31	2025-01-01 2025-12-31
Cash flow from operations			
Operating profit	100,768	146,643	145,999
Adjustment of depreciation, amortisation and write-downs	137,583	97,901	1,179,774
Other adjustments	2,618	3,140	8,357
Interest received	5,138	7,595	23,469
Interest paid	-156	-349	-2,072
Tax paid	54,600	16,857	-91,428
Cash flow before changes in working capital	300,551	271,788	1,264,099
Changes in working capital			
Change in current receivables	13,843	31,714	14,610
Change in current liabilities	-5,673	-37,294	-42,182
Cash flow from current operations	308,721	266,208	1,236,527
Investing activities			
Investments in capitalised development	-120,924	-119,763	-605,806
Investments in licenses, brands and similar rights	-	-	-46,540
Investments in equipment	-1,472	-239	-3,168
Investments in subsidiaries	-	-97,307	-97,307
Cash flow from investing activities	-122,397	-217,308	-752,820
Financing activities			
Amortisation of lease liability	-9,754	-9,681	-39,000
Paid dividend	-	-	-528,115
Cash flow from financing activities	-9,754	-9,681	-567,115
Cash flow for the period	176,570	39,219	-83,408
Cash and cash equivalents at the beginning of the period	1,375,272	1,469,356	1,098,025
Exchange rate effect	2,756	-7,043	-10,675
Cash and cash equivalents at the end of the period	1,554,598	1,501,532	1,375,272



PARENT COMPANY INCOME STATEMENT (KSEK)

	2026-01-01 2026-03-31	2025-01-01 2025-03-31	2025-01-01 2025-12-31
Revenues	431,568	461,278	2,196,019
Cost of goods sold	-256,055	-154,831	-1,524,534
Gross profit	175,513	306,447	671,484
Selling expenses	-38,085	-43,801	-224,641
Administrative expenses	-30,744	-25,021	-108,674
Other income	6,361	1,426	6,037
Other expenses	-	-24,981	-50,476
Operating profit	113,044	214,071	293,730
Financial income	4,908	6,011	18,092
Financial expense	-0	-0	-1
Profit after financial items	117,952	220,082	311,822
Year-end appropriations	-	-	-75,000
Tax	-19,066	-45,309	-66,009
Profit for the period	98,885	174,773	170,813

OTHER COMPREHENSIVE INCOME (KSEK)

	2026-01-01 2026-03-31	2025-01-01 2025-03-31	2025-01-01 2025-12-31
Profit for the period	98,885	174,773	170,813
Other comprehensive income	-	-	-
Total comprehensive income for the period	98,885	174,773	170,813



PARENT COMPANY BALANCE SHEET (KSEK)

	2026-03-31	2025-03-31	2025-12-31
ASSETS			
Non-current assets			
Capitalised development	969,408	1,396,225	954,495
Licenses, brands and similar rights	48,902	20,461	52,746
Property and equipment	3,292	1,481	2,453
Shares in subsidiaries	320,707	319,512	319,512
Other long term assets	17,393	17,393	17,393
Total non-current assets	1,359,702	1,755,072	1,346,599
Current assets			
Accounts receivable	253,066	229,000	266,042
Receivables from group companies	6,187	24,666	10,267
Tax assets	9,218	-	84,309
Other receivables	23,628	24,523	19,449
Prepaid expenses and accrued revenues	66,807	82,458	69,629
Cash and cash equivalents	1,055,430	1,024,893	876,202
Total current assets	1,414,336	1,385,540	1,325,898
TOTAL ASSETS	2,774,038	3,140,612	2,672,497
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	528	528	528
Capitalised development reserve	969,408	1,396,225	954,495
<i>Non-restricted equity</i>			
Share premium reserve	29,748	29,748	29,748
Retained earnings	542,847	465,498	384,330
Profit for the period	98,885	174,773	170,813
Total equity	1,641,417	2,066,772	1,539,914
Untaxed reserves	695,000	755,000	695,000
Current liabilities			
Accounts payable	42,869	27,234	31,676
Liabilities to group companies	168,748	56,948	164,399
Current tax liabilities	-	18,128	-
Other liabilities	6,121	11,248	14,268
Accrued expenses and prepaid revenues	219,883	205,282	227,240
Total current liabilities	437,621	318,840	437,583
TOTAL EQUITY AND LIABILITIES	2,774,038	3,140,612	2,672,497



NOTES (KSEK)

NOTE 1. SEGMENT REPORTING

Group Management has determined the operating segments based on the information processed by the CEO and which is the basis for making strategic decisions. The operations consist of one segment.

Group revenue from clients based on where the distributor is located is divided into the following geographical areas;

	2026-01-01	2025-01-01	2025-01-01
	2026-03-31	2025-03-31	2025-12-31
USA	354,195	405,201	1,872,997
Sweden	10,720	9,497	59,409
Rest of Europe	53,594	39,654	212,575
Rest of the World	12,617	9,247	46,937
Total	431,125	463,599	2,191,918

During the quarter MSEK 336.2 (MSEK 380.5) of the group's revenue came from one and the same platform - Steam.

Group revenue divided into major product categories;

	2026-01-01	2025-01-01	2025-01-01
	2026-03-31	2025-03-31	2025-12-31
PC	345,182	390,681	1,895,783
Console	70,908	49,217	222,911
Mobile	10,799	13,446	45,669
Other	4,237	10,256	27,555
Total	431,125	463,599	2,191,918

NOTE 2. DEPRECIATIONS, AMORTISATIONS AND WRITE-DOWNS BREAKDOWN PER FUNCTION

	2026-01-01	2025-01-01	2025-01-01
	2026-03-31	2025-03-31	2025-12-31
Cost of goods sold	134,823	95,091	1,168,759
Selling expenses	1,031	1,031	4,122
Administrative expenses	1,729	1,779	6,893
Total	137,583	97,901	1,179,774

NOTE 3. ACQUISITION HAEMIMONT GAMES

On February 18, 2025, 100% of the shares in Haemimont Games AD, a company based in Sofia, Bulgaria, were acquired. Paradox paid a fixed purchase price of EUR 10.3 million. Contingent purchase considerations tied to the sellers' continued employment, game releases, and achieved sales targets may amount to a total of up to EUR 11.0 million. All contingent purchase considerations are reported under the item cost of goods sold as they are earned.

In previous reports, the purchase price allocation was preliminary. During the first quarter of 2026, the assessment period ended, subsequently the purchase price allocation is final. No adjustments have been made compared to the amounts previously reported.



	2025-02-18
Cash consideration	115,604
<i>Reported amounts of identifiable net assets</i>	
Game rights	16,817
Capitalised development	44,846
Technology related to game engines	43,863
Cash and cash equivalents	18,298
Other assets	2,597
Deferred tax liabilities	- 10,553
Other liabilities	- 264
	115,604
Goodwill	-

NOTE 4. SUBSEQUENT EVENTS

Subsequent to the reporting period, the Company entered into a publishing partnership agreement for a new game. The agreement includes minimum guarantees and revenue sharing, to be paid by Paradox. More information will be disclosed in May 2026. As the agreement was entered into after the reporting date, the agreement had no effect on the financial statements by the end of the reporting period.



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